

UDAC 86-103
4 September 1986

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Director, Intelligence Community Staff
Deputy Director, Intelligence Community Staff
Director, CCISCMS

25X1 FROM: [REDACTED]
Chief, Unauthorized Disclosure Analysis Center

SUBJECT: Coordination of Intelligence Disclosures

1. This memorandum is for your information. It discusses the need for a systematic approach to the use of classified information for "public diplomacy" and the jeopardy to intelligence sources and methods posed by the free-lance leaks that follow such official revelations. The attached article from the 8 September 1986 edition of NEWSWEEK discusses the contradictory and uncontrolled nature of the rash of revelations about US intentions toward Libya. These included news stories which dealt with information on possible terrorist action against US officials abroad, information from friendly foreign governments and information on the Libyan military. Still another included information which was erroneous, but leaked so quickly that the correction provided one day later did not overtake the disclosure prior to its publication.

2. The recent set of questions from the Senate Select Committee on Intelligence included a query about whether it would be desirable to have well-defined rules on the coordination of classified information prior to its public disclosure. The NEWSWEEK article seems to help make the case for such rules. More than that, it points out the need for an understanding among government officials of who can legally make statements to the media about classified information and who cannot. Whenever the administration (any administration) makes a public statement about a classified matter, it is immediately followed by elaborations on the original item and other revelations that may be unrelated. This is not a minor matter, but is central to the unauthorized disclosure issue. While there are specific procedures for

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25X1 declassifying and revealing satellite photography and COMINT, they probably are not known to those who most need to know them. It may be extremely difficult to formulate effective rules governing the broad spectrum of such disclosures, and it may be even harder to have them adopted, but they are needed. [REDACTED]

25X1 The Supreme Court decision in the Sims case reaffirms the responsibility of the Director of Central Intelligence only, both for protecting against unauthorized disclosures and weighing the "complex and subtle factors in determining whether [in the national interest] may lead to an unacceptable risk of compromising the Agency's intelligence-gathering process." The possibility of obtaining help from the SSCI should not be missed. [REDACTED]

25X1 [REDACTED]

Attachment: a/s

SECRET

Kaddafi: A War of Leaks

Reagan's aides end up in a cross fire over Libya

Exactly how much trouble is Muammar Kaddafi up to these days? Listening to the contradictory signals coming out of the Reagan administration last week, it was very hard to tell. First, one set of anonymous officials leaked word of a new intelligence report; they said it showed that Libyan henchmen were infiltrating Europe in preparation for another wave of terrorist attacks. But almost as quickly, a second leaky group of officials insisted that the evidence was sketchy at best. The only consistent message was that no matter what Kaddafi had in mind, Washington was eager to put him on notice again. "It's a warning shot across [Kaddafi's] bow," said a ranking Reagan adviser, "something that says we know what he's up to and suggests he'd better not keep it up."

The evidence also suggested that the leak squad had caught itself rather clumsily in its own cross fire. Last July Secretary of State George Shultz ordered an assessment of Kaddafi's terrorist activities since the American raid on Libya last April. But before the report was completed, President Reagan issued a private warning to Kaddafi via Syria and the Soviet Union. An even blunter message went out a few days later when a U.S. diplomat cornered a Libyan official in a foreign capital and coldly informed him that the United States believed that Libya was plotting to kill innocent Americans. "If you don't desist," the American warned, "we're going to pound the hell out of you." The Libyan politely promised to pass the message along, and U.S. intelligence confirms that he did.

Coup fears: When the new intelligence assessment was completed, however, it provided no dramatic proof of Libyan misdeeds. It did suggest Libya was directing suspicious movements of men and money into Europe. But intelligence officials say it offered no reason to revise conclusions that Kaddafi had been stunned by the American raid and would think hard before resuming large-scale terrorist operations. For one thing, U.S. officials concluded, Kaddafi is afraid of a coup. They also found that currency fluctuations and a decline in oil prices have cut Libya's revenues roughly in half. Concluding that Kaddafi is now most vulnerable to nonmilitary pressure, the administration decided to dispatch Vernon Walters, the U.S. ambassador to the United Nations, to Europe this week to lobby for tighter sanctions against Libya.

But some Reagan hands wanted to bait Kaddafi more aggressively. Sources from the National Security Council told The

Wall Street Journal about the intelligence report. Although the Journal conceded that the document was "inconclusive," its sources seemed to harden ambiguities into certainties. The Journal described the United States and Libya as being "on a collision course" and said "the Pentagon is completing plans for a new and larger bombing of Libya in case the president orders it." Other administration sources quickly criticized the story as overblown, suggesting to competing reporters that the evidence of Libya's troublemaking was not conclusive and that Washington had no plans to strike soon. State Department officials also insisted the leak was unauthorized: its chief source, said one Shultz aide, was a "free-lancer" within the government who may have overstated the case against Libya in pursuit of a "personal agenda."

But the administration decided to keep Kaddafi in the headlines. A White House official referred to the Journal story as "highly authoritative." While privately

denying any plans for immediate military action, administration officials disclosed that if the United States struck Libya again, it would probably choose targets vital to the Libyan economy. Others revealed that Washington plans to give airlift support to French forces attempting to drive Libyan troops from Chad. And to demonstrate American resolve, Washington hurriedly ordered the U.S. aircraft carrier Forrester to forgo a planned port call and take up position off the Libyan coast instead.

The White House also saw the war of leaks as a useful reminder to the allies. Its message to the Europeans, says Neil Livingstone, a Georgetown University expert on terrorism, is: "Don't leave us without any policy options or we'll go back in and bomb Libya again." Some U.S. officials admitted to having second thoughts. "If we shout that we have solid evidence of Libyan terrorist actions when we do not," insisted one of them, "then it will be twice as hard to convince people the next time we *do* have the goods." Still, given Kaddafi's track record, it may be only a matter of time before he gives Washington a more substantial case for going after him again.

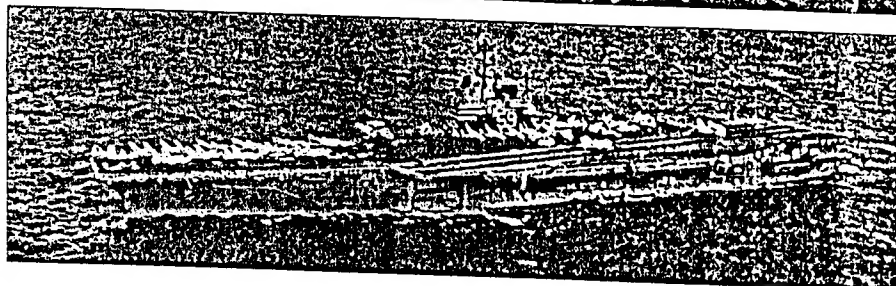
HARRY ANDERSON with JOHN BARRY and
THOMAS M. DEFRANK in Washington
and bureau reports

KATE DOUGLASS REUTER

JOHN FICARA—NEWSWEEK



Sparring with jabs and feints:
President Reagan, Kaddafi in
Tripoli, the Forrester



U.S. NAVY

NEWSWEEK : SEPTEMBER 8, 1986 29

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